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Official Committee Hansard

**HOUSE OF
REPRESENTATIVES**

STANDING COMMITTEE ON ABORIGINAL AND TORRES
STRAIT ISLANDER AFFAIRS

Reference: Capacity building in Indigenous communities

MONDAY, 15 SEPTEMBER 2003

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HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS
Monday, 15 September 2003

Members: Mr Wakelin (*Chair*), Mr John Cobb, Mrs Draper, Mr Haase, Ms Hoare, Dr Lawrence, Mr Lloyd, Mr Melham, Mr Snowdon and Mr Tollner.

Members in attendance: Mr John Cobb, Mrs Draper, Mr Haase, Ms Hoare, Dr Lawrence, Mr Lloyd and Mr Wakelin

Terms of reference for the inquiry:

To inquire into and report on:

Strategies to assist Aboriginals and Torres Strait Islanders better manage the delivery of services within their communities. In particular, the committee will consider building the capacities of:

- (a) community members to better support families, community organisations and representative councils so as to deliver the best outcomes for individuals, families and communities;
- (b) Indigenous organisations to better deliver and influence the delivery of services in the most effective, efficient and accountable way; and
- (c) government agencies so that policy direction and management structures will improve individual and community outcomes for Indigenous people.

WITNESSES

**ARMITAGE, Ms Joan, Assistant Secretary, Regional Policy, Policy and Research Group,
Department of Transport and Regional Services..... 1153**

**DAVIES, Mr Paul, Director, Rural Transactions Centre Section, Regional Analysis and
Performance, Regional Programs, Department of Transport and Regional Services..... 1153**

**VILLALBA, Mr Geoffrey, Senior Indigenous Policy Officer, Regional Policy, Department of
Transport and Regional Services..... 1153**

**WATTS, Mr Geof, Director, Economic Policy, Local Government and Natural Disasters,
Regional Programs, Department of Transport and Regional Services 1153**

Committee met at 10.14 a.m.

ARMITAGE, Ms Joan, Assistant Secretary, Regional Policy, Policy and Research Group, Department of Transport and Regional Services

DAVIES, Mr Paul, Director, Rural Transactions Centre Section, Regional Analysis and Performance, Regional Programs, Department of Transport and Regional Services

VILLALBA, Mr Geoffrey, Senior Indigenous Policy Officer, Regional Policy, Department of Transport and Regional Services

WATTS, Mr Geof, Director, Economic Policy, Local Government and Natural Disasters, Regional Programs, Department of Transport and Regional Services

CHAIR—I declare open this public hearing of the ATSIA committee inquiry into the capacity building of Indigenous communities. I welcome representatives of the Department of Transport and Regional Services. I need to remind you that these are proceedings of the parliament. I will not go into the other part about it being public versus private; I think you would all be aware of that. So it is over to you. Would you like to make a short opening statement? We have obviously received your submission and appreciated it. It was concise and very readable, so thank you for that.

Ms Armitage—Our opening statement is based upon our submission, where we identify that the federal government's policy statement on regional development entitled 'Stronger regions, a stronger Australia' provides a framework for fostering the development of Australia's regions. A key principle of this policy is a partnership approach which aims to support reliant regions and communities, including Indigenous communities, in developing their own plans and aspirations and helping communities to help themselves.

In addition, the Commonwealth government's Regional Women's Advisory Council was asked to identify and report on critical success factors for communities managing change in regional Australia. They established a national action research project entitled 'The success factors: Managing change in regional and rural Australia'. The major finding of the project was that the key to community building is that the way people feel about their communities determines the strength and the ability of their communities to manage change. For example, communities with a positive outlook are supportive and can deal with adversity whereas communities with a negative outlook are not as cohesive and are less adaptable to change.

Given the experience of the regional programs, DOTARS has got experience in capacity building through the new regional partnerships program, the Sustainable Regions Program, the rural transaction centres and some of its local government work. In addition, the area consultative committees, of which there are 56, have as a priority engaging with Indigenous communities in their environment.

So DOTARS has brought this experience in working with regions and communities to its work with the Western Australian COAG Indigenous trial. It was called the Tjurabalan trial, but over the year, speaking with the five Indigenous communities in the Kimberleys, it has emerged that that name is probably restricted to only part of the trial area. There is also, we understand, more

linked to men's business than to women's business or community business, so the communities have asked that we actually call them the WA COAG trials until such time as the communities themselves decide the name of the region as they see it. As I said, there are five communities there.

Mr Ken Matthews is the secretary/sponsor of that COAG trial and has visited the communities on a number of occasions. The last time was a significant time on 4 and 5 September. He was there on the 4th at the first meeting of the reference group—the munjurla reference group as it is now called—which is the group of the communities that has come together with community representatives and representatives from the state government, local government and the Commonwealth government as a means of moving forward through the trial. It is called the munjurla group. It is based upon a study that has been funded by ATSISS called the munjurla study, which means to talk.

Mr Villalba—To tell them, to speak.

Ms Armitage—To tell them, to speak. This reference group is quite a significant step in the trial, which was actually announced on 2 July. There has actually been a year of work leading up to that. At this point in time, it is probably best that I finish the opening statement and leave time for questions.

CHAIR—Thank you very much. What you are endeavouring to do is very comprehensive, particularly from a regional perspective. No doubt my colleagues will have a range of questions. To lead off, the RDC is headed by the deputy PM, I understand, in terms of advice he would give to the COAG trial. How long has that been in place and how often would they meet?

Ms Armitage—The Regional Development Council was established as part of the COAG council structure. It had its first meeting on 30 July this year. At that first meeting, it approved the Indigenous action plan. That is the basis of the commitment for the Commonwealth and the states to work together on Indigenous issues. So we have the COAG trial, which is in Western Australia, on the one part but overarching from the Commonwealth-state perspective there is the Regional Development Council.

CHAIR—In terms of the COAG trials themselves, we are obviously quite interested in all of that. Mr Matthews is the lead agent in the WA trial. I suppose timelines are not always easy in these things. But in terms of expectations from the meetings that have occurred and future timelines, do you have a view about that?

Ms Armitage—The trials are for three years. Obviously I do not think anybody would intend that they are going to get turned off after three years. In terms of the Western Australian COAG trial, it would be fair to say that, unlike some of the other trial sites, there was not a regional governance structure over all of the communities. So the work that has been done over the last year leading up to the munjurla reference group meeting has been to talk with people in the communities and to gradually build up a view of how to move forward. As I said, the munjurla study, which is funded by ATSISS, is part of finding out and talking with communities. So the reference group with its working group and secretariat to support it is the beginning, and the movement forward will be when the munjurla study is actually complete. Mr Villalba will be able to talk about the timelines for the completion of that study.

Mr Villalba—The study itself is really a scoping study where we have engaged some consultants to speak to the five communities to see what issues they are trying to face and deal with at the moment. It is a 10-month study. It is expected to be completed in March next year. That will be a cornerstone or building block for a lot of our movement forward with the communities.

CHAIR—If there were a phrase or a couple of paragraphs which could describe the key issues of expectation—that is all I can describe them as at the moment—that the Commonwealth and states particularly and, of course, the communities have which you are reaching agreement on for focus, could you describe that for the committee?

Ms Armitage—The munjurla study is about scoping that. But there is agreement now that the communities wish to work with governments and the governments wish to work with each other and the communities. The first meeting of the reference group is actually a symbol of that commitment and shared commitment of working together.

CHAIR—It is early and I do not need to press any further, but I am seeking a couple of paragraphs on that expectation and nothing more than that, because no-one knows. As the Western Australian government submission mentioned to us about six weeks ago, we do not know because that is what we are trying to find out. I thought there might have been some. That is why I described it as expectations. I will not go any further. I have a quick question on rural transaction centres and regional partnerships. All the names are changing from 1 July, so we have to be careful and track it and find out where it is all at with regional solutions et cetera. We were at Maningrida. There is a rural transaction centre at Maningrida?

Mr Davies—That is correct, yes.

CHAIR—That was in about December last year. We were at Wadeye on that same trip. I understand there is an intention to put an RTC there as well. Could you describe the outcome and a bit of the history of the RTC. What were the challenges and where is it at the moment? What was the timeline when it was introduced?

Mr Davies—The RTC program?

CHAIR—The RTC at Maningrida.

Mr Davies—The RTC at Maningrida, along with a number of other RTCs in the Northern Territory, was developed by Indigenous communities. They have been keen to engage with the Traditional Credit Union as a financial institution. They have also been keen to engage with, again, a range of government services included in the RTC, including Centrelink, Medicare and any other Commonwealth government services they might consider appropriate as well as Northern Territory government services.

In the case of some of them, Wadeye in particular, they have extended the whole concept of the one-stop shop service centre to include basically a shopping complex, as you would have seen while you were there. To us, that seems to be a good way of going about it in terms of improving the longer term viability and sustainability of the RTC.

The RTC program has provided almost half a million dollars to the Wadeye RTC. The majority of the RTC component of that has now been completed. It is operational. It has not been officially opened yet, but we are hoping that that will happen shortly. In the case of Maningrida, it was officially opened earlier this year along with another one at Numbulwar. The RTC at Oenpelli was opened last year. All of those have the Traditional Credit Union, Centrelink and a range of other Commonwealth government services.

CHAIR—The purpose of my question, specifically about Maningrida, was to try to understand the history. What was there before? What was the access to services? I want to compare the added value. What is the experience and the expectation? What things have we learnt about doing it better—those sorts of things?

Mr Davies—Sure.

CHAIR—In other words, did it open for business as of something like 12 or 18 months ago? What would your guess be at Maningrida? What is the timeline?

Mr Davies—I think Maningrida opened earlier this year. I do not have a date but it was earlier this year. Prior to the RTC being there, there was a Centrelink office. But Centrelink has improved their service delivery there by increasing the number of staff and employing local staff. The RTC helped introduce the Traditional Credit Union and put all of the services under one roof, basically. The general consensus from some visits of our field officer and other people carrying out some evaluation of the RTCs has been that it has been a very significant component enabling the community to access a range of services and to have the capacity to access financial services in particular. The Traditional Credit Union puts a significant effort into training local staff and providing a range of services there. The capacity of Centrelink—

CHAIR—Do you know the number of Indigenous staff employed?

Mr Davies—I do not know exactly the number of Indigenous staff at Maningrida, but it would be 100 per cent. There would be two or three people, as a rough guess. There are some issues around employing local staff. The Traditional Credit Union have a number of programs in place to try to overcome that. In particular, the responsibilities Indigenous people feel towards their families and handling money are issues that have to be handled very sensitively.

CHAIR—Lastly, how many RTCs do we have in Indigenous communities around Australia, approximately?

Mr Davies—We have seven approved. Of those, four are operational.

CHAIR—Throughout Australia?

Mr Davies—Throughout Australia. Then there are about another 25 Indigenous communities that are undertaking business planning and an application through the RTC program for an RTC.

CHAIR—Is there anything in particular in Indigenous communities which you need to do differently or focus on differently? I would have thought there is staff training, staff

involvement, the issue of PIN numbers and the issue of general financial management. What sorts of things are we doing differently?

Mr Davies—The main thing that is happening differently is the consultation processes. They take considerably longer and are more complex. They are almost always involving a significant degree of services from Centrelink and from a financial service as well. Because the TCU has been the main component of that, they have carried a lot of the responsibility on the financial training and financial capacity building side. On the actual RTC side, the main difference has been the time frame involved and, in some cases, just the amount of funds needed to provide the services. Basically there were no services there whereas in many non-Indigenous communities there might have been some services, which you can build upon.

Ms HOARE—Following on from that, what are the benchmarks that a community has to be at to be able to apply for an RTC? Is it population?

Mr Davies—Yes. There are a couple of criteria. The first one is a population of less than 3,000. The second one is a lack of basic services. That could be a range of government services—Commonwealth, state and local—and a lack of other services, in particular, financial institutions. If they do not have them and they are able to make arrangements through a business planning process to pull them together, we will consider the application and do an assessment along the lines of the other RTCs we have approved.

Ms HOARE—You said that with applications and the consultation process the time span has lengthened. What is it, say, from one of these 25 communities that is applying now? When would they be able to see their RTC up and running?

Mr Davies—Generally it takes a significant amount of time for any community, non-Indigenous ones as well, to go through the consultation process and liaise with the range of service providers that they need to in order to put something together.

In the case of an average non-Indigenous RTC, you could look at anything from 12 to 14 or 15 months. Some Indigenous ones have been quicker than that because they have been able to pull together a range of services that were there already and put them together in a one-stop shop type arrangement. Others have taken considerably longer than that. There are others that are probably well over 18 months or two years. Wadeye would be one example where they got the RTC up and running fairly quickly, but it is still yet to be officially opened. Each community is different and no one RTC is the same as another one. So it is very difficult to generalise, but more often than not they take a longer period of time to pull the process together. As I said, some of them have been quicker.

Ms HOARE—Of the RTCs that are up and running, whether they have been officially opened or not, how many of them are in Indigenous communities?

Mr Davies—There are currently seven in Indigenous communities. Oenpelli, Maningrida, Numbulwar and Wadeye are the ones we mentioned. There is also Gununa on Mornington Island in Queensland, Lake Tyers in Victoria and Point Pearce in South Australia.

Ms HOARE—As opposed to how many non-Indigenous communities?

Mr Davies—The total number of RTCs approved at the moment is 168, and seven of them would be Indigenous.

Ms HOARE—Your submission refers to the DOTARS programs that are able to be accessed by Aboriginal communities to assist with capacity building. They are programs in regional partnerships, sustainable regions and regional solutions and the Roads to Recovery program. You mentioned in your previous answer the amount of RTCs which are in Indigenous communities as opposed to non-Indigenous communities. Is there any monitoring of the specific programs which can emphasise whether or not Aboriginal communities are accessing the programs? What is that ratio? Are those programs then assisted in capacity building in those communities? If so, how is it done? What is the participation rate by Aboriginal communities in the programs provided by DOTARS?

Ms Armitage—It would be fair to say that DOTARS's engagement with Indigenous issues has been part of general program management. Last year, the executive approved a statement of commitment to Indigenous people that would be adopted by the department. Again, it would be fair to say that that statement of commitment is in the process of being implemented. I can provide what you have asked about with regard to proportions and people. However, the monitoring processes are just starting to be put in place. But we can get you that information. I spoke to the program people today and they said that was possible.

Mr HAASE—Firstly, perhaps Geoffrey can tell us the language term that the term 'munjurla' comes from.

Mr Villalba—I think it is the Jiwali language group. I am not totally familiar with that language group myself.

Mr HAASE—It is appropriate for the Tjurabalan area generally?

Mr Villalba—Yes. It is appropriate amongst the communities that we are dealing with.

Mr HAASE—We are at a bit of a loss to agree just what geographic area we can generally refer to in order to name that COAG project that is going on right now. We had this discussion in Perth as well. There was a great indifference about agreeing on any particular term. How long will it be before we have a name to know this project by, do you think?

Mr Villalba—It is difficult to say. We are consulting with communities as we speak almost on a daily basis. We would probably wait for the munjurla reference group to get together and decide. There are community representatives on the reference group. They will go back to the community and consult with people and see what is appropriate one way or the other. They will then come back together and decide. So we will leave it up to the communities to drive that issue of what we call it. They meet quarterly. We may have something within the next couple of weeks or so. We are not quite sure. But we will leave it to communities to decide.

Ms Armitage—I believe the Indigenous communities coordination task force will give evidence a bit later. They will probably tell you that across the trials all of the community or the regions are at different points. For instance, Wadeye is known to be one that has had for a long

time a very, very developed governance structure. Getting its RTC up and running more quickly than others is an indication of that governance structure.

As you would know, in the Kimberleys with the different language groups we have to have a number of different interpreters when we have community meetings. So you are dealing with a variety of language groups. Communities see themselves as communities rather than related to each other. Some were not involved in the native title case. What we have had to do is to accept that we need to work from the communities, which is our commitment anyway. If you are doing that, things take some time when you have complexity, as there is within the Kimberley area.

One of the things we are also doing which came out of the first groups of consultations was that community safety, grog and justice were actually a priority for all of the communities. While the munjurla study was actually going on, and while we were getting the governance and the reference groups working through with the communities and the state and local government, we would start to plan for some workshops on community safety and justice. The first one would have occurred today but there has been a death in one of the communities. But we will continue—the Commonwealth, the state, local government and the communities—looking at what options there are for increasing community safety and building on the Western Australian study that has been done, which is about having justice agreements with each of the communities. So while the governance structures and the reference group are being worked through, we are actually working through with something that is of particular importance to the communities.

Mr HAASE—We have something of a chicken and egg situation here, would you not agree? There is a desire of this committee to establish what strategies might be used to improve capacity. The COAG agreement I think unashamedly desires to address the lack of capacity within communities. I wonder, therefore, how you view that impossible situation of wanting the communities to drive the solutions and the solution identified process, yet I think we generally agree that there is little capacity within those communities. How do you address in a practical manner the question of identifying leadership and empowering that leadership with sufficient knowledge to make the right decisions, whatever they might be, in the first place? I am fascinated to know how you are addressing it in a practical way.

Ms Armitage—It is a partnership. We look at it from the partnership perspective and as a transfer of knowledge and utilising skills where they are. It means a lot of talking and a lot of teleconferences and it means a lot of visiting and time spent on the ground. So your aspiration is that of leadership and governance and strong governance within the community.

It is a similar thing in regions as well. It is not just an Indigenous issue. Leadership and capacity building are really important in regions of Australia where, for whatever reason, there is a struggle. They might be suffering from shock because an industry has moved out or anything else. I have just been involved in a regional business development analysis with the independent panel looking at regional business. One of the critical factors that has come out through the literature and the consultations that that panel undertook is that if a region had strong and vibrant leadership, it could overcome a lot of adversity.

So how do we deal with that with the Western Australian trial? There are leaders in all communities. The reference group situation with the community people and with the men and

women representatives has been set up as a means of supporting that leadership, leadership growth and confidence. So that is really one of the foci and one of the practical things that we have done.

We also have a person on the ground who is jointly funded by Family and Community Services and DOTARS. That person is there to support the people who are involved in the communities within the reference group and in the trials. Another thing that we have identified, which was identified by the Regional Women's Advisory Council, was obviously we know that women are very important in leadership positions in communities. It has been agreed that the Women's Advisory Council will convene in Alice Springs in November, with women from all of the COAG trials looking at women's role and supporting women's role in leadership as well in the communities.

Mr HAASE—Has a similar event been planned to assist male leadership in the communities?

Ms Armitage—Not at this point in time.

Mr HAASE—As an observation, I suggest that the strength of leadership exhibited by women in the majority of the remote communities is far superior to that exhibited by men today because they have been less impacted on by some of the negatives of having had leadership over the last two or three decades.

Ms Armitage—I accept that. You are asking about practical steps. We are in the very early days. As I said, what we are attempting to manage with the communities, with the local government and with the state government is to always move forward collaboratively on this. This is resource intensive. It is people intensive because it is actually about relationships and building relationships. We are going to have a discussion with our secretary about this, and he is aware of it. Not only are you working with Indigenous people and Indigenous cultures, so we have a cultural issue for a lot of white public servants, to put it that way. You also have the cultural issues between the Commonwealth, the state and the local government. So we are moving in that environment. You keep your aspirations and you keep your goals and your principles. The principles are partnership, cooperation, coordination and making things happen. You keep them in front of you as you go forward. I do not know whether that answers what was a very big question.

Mr HAASE—I know how big the question is and I know how difficult the task is. You are happy to reinvent the wheel of administration to, firstly, even identify the aspirations of the community. You will have achieved a great deal just to get to first base. I know that. I am very concerned that it is going to take resources for a very, very long period of time. You cannot even be sure at the outset. Your aspirations for a community in achieving capacity may be at odds with the community's aspirations for achieving capacity.

Ms Armitage—That is why we did not answer your question—I could not answer your question—about what Ken Matthews wants at the end of this. It is not about what Ken Matthews wants.

CHAIR—And I accepted that.

Ms Armitage—Yes, I know; thank you. It is about keeping the principles at the forefront, which is about partnership, respect, cooperation, coordination and commitment. It is to know that you sometimes find yourself going off on a path that you would never have even imagined you would have gone down. But just because this Western Australian trial is a challenge does not mean that we are not keeping an eye on it. We are aware of the difficulty.

Mr HAASE—Time is a limiting factor. I want to specifically ask about what this group thought of the bottom-up idea of funding for Aboriginal communities as opposed to top-down funding that we seem to have these days. I trust you are familiar with the term I used about local government playing a far more important role in providing the administration of funds for expenditure in Aboriginal communities. It has been a hobby horse of mine for some time. It is that local government ought to be local government for all persons within its local government area rather than just those of Western leanings.

Mr Watts—I am aware of that. We provide financial assistance grants, which is a mechanism for getting money or funds from the Commonwealth straight through to councils on the ground. Under that program, just under 99 community councils get direct assistance from the Commonwealth.

Mr HAASE—Are you referring to Aboriginal councils?

Mr Watts—Yes, Aboriginal community councils.

Mr HAASE—Do those councils have a formalised local government role?

Mr Watts—There are differences between states.

Mr HAASE—Which states are you referring to where it is happening?

Mr Watts—It is happening in WA, the Northern Territory, South Australia and Queensland. They are the states.

Mr HAASE—Which are the councils in Western Australia?

Mr Watts—There is a council right in the middle of—I am not sure of the name.

Mr HAASE—Mount James.

CHAIR—You can take that on notice.

Mr HAASE—There are general terms. What about the efficacy or long-term possibilities of what are perceived to be mainstream local government councils taking on a responsibility that is perhaps carried by ATSSIS today?

Mr Watts—That could happen. I am not quite sure how the financial assistance grants would change under that arrangement, but that certainly could happen.

Mr HAASE—So it is not something you have looked at?

Mr Watts—No. It is not something we have looked at.

Ms Armitage—Of course, there is the local government inquiry into cost shifting at the moment. We are waiting for it to report.

CHAIR—We will endeavour to come back to that.

Mr JOHN COBB—Of all the different programs you administer, be it regional solutions or family partnerships or whatever it might be, when you administer them in Indigenous communities, do pretty much exactly the same set of principles apply? Have you had to judge them differently when you do those programs, or are they pretty much all done the same?

Mr Davies—In the case of the Rural Transaction Centres Program, we have put in additional effort through our field officer network to assist communities to develop their business plan and project assistance applications, primarily because of the often remote nature of the communities and difficulty of access and those sorts of things. I cannot speak for regional solutions or regional partnerships. Regional partnerships commenced on 1 July, as the chair mentioned earlier. At the moment, the area consultative committees have responsibility for assisting communities to develop their projects. At the moment, the process is not significantly different from Indigenous ones.

Mr JOHN COBB—In the past, have you set different criteria for eligibility?

Mr Davies—Not different criteria, no.

Ms Armitage—No.

Mr JOHN COBB—Are the failure rates any different? ‘Failure’ is a hard word to determine. Mostly they are three-year programs. It seems to me that everybody wants recurrent funding again at the end of the three years, which to me says it has almost been a failure. Do you have pretty much the same recurrence with the Indigenous ones as you do with the others?

Ms Armitage—I think we will have to take that on notice because of that monitoring that is only just coming into play at the moment. But we can look at that and provide information.

Mr JOHN COBB—There must be a lot of overlap with the things ATSIIC does to promote communities in the way programs out of DOTARS work. I would have thought in a lot of cases you are almost trying to do exactly the same thing. How do you determine whether it should be ATSIIC funding or DOTARS funding?

Ms Armitage—The DOTARS programs are aimed at funding gaps where it is not possible for proponents to get their funds from elsewhere. Often they cocktail. There will be some money from ATSIIC. For instance, although the munjurla study is funded almost 90 per cent by ATSIIC, DOTARS will be providing some money, or the flexible fund from the trials will actually be providing some money. So it is about gaps. The department does in fact liaise. For instance, with the Sustainable Regions Program, there is one in the Kimberley and one in Atherton that have Indigenous involvement. Those projects that might come up through there go around all of the Commonwealth departments to say, ‘Where does it fit with what you might be funding? Have

you funded part of it? Can we cocktail? Can we do this?' Sometimes it also occurs with the state. So DOTARS sees itself as the gap filler.

Mr JOHN COBB—Were Roads to Recovery and FAG grants done exactly the same right across?

Ms Armitage—No. Roads to Recovery is actually funded in a different way. I must apologise that with the change of time we could not get a Transport person here, so I am carrying a bit of that and I will take the rest on notice if necessary. But with Roads to Recovery, for instance, in Western Australia where there are no Indigenous councils as such, \$4.2 million has been set aside for roads serving Aboriginal communities. Over the life of the program, for instance, the Derby and West Kimberley shire council will receive over \$1 million extra for Indigenous access roads.

Mr JOHN COBB—That is fine.

Ms Armitage—So they do take it into account where there is not actually a council that could have received money in Western Australia.

CHAIR—And you will find that South Australia and New South Wales are the same. I am more familiar with those places.

Mr JOHN COBB—So it is done a little like the way they did it in the unincorporated area in New South Wales that does not have councils?

Ms Armitage—I understand so, yes.

Dr LAWRENCE—I will take a slightly broader perspective, if I may. I want to ask you a couple of questions about the training of Commonwealth public servants. You mentioned earlier the need for partnership, culture and understanding. I think we often place the burden of that—this is my own opinion—on Indigenous communities and not the other way around. Do you have in-house a substantial training program for your officers in terms of language, culture, cultural dynamics and understanding communities? That is the first question. The second is whether you have the targeted employment of Indigenous people within the department as well. If so, how well are you doing on that?

I will put all three together. The third is about the involvement of Indigenous people in various advisory groups that you have mentioned in your submission. For instance, you talk about the regional assistance programs, area consultative committees, the sustainable regions programs and local advisory committees. In addition to whether you have a systematic approach to the engagement of Indigenous people in those committees, what support do you offer them in training them to participate, if you like, in those groups? I guess I am interested in what the Commonwealth is doing, firstly, for its own officers; secondly, in recruiting Indigenous people; and, thirdly, involving them in and supporting them on some of your advisory committees.

Ms Armitage—As I said, while programs have taken in Indigenous issues, it is fair to say that with the development of the commitment DOTARS is really beginning the journey. In my previous department there was cross-cultural training where they had a lot to do with Indigenous

communities. It was part of the in-house training. We do not have an in-house training system anyway. People go outside. It is available for people to actually go outside and take advantage of cross-cultural training if they wish. As I said, we do not have an in-house training system.

Dr LAWRENCE—But it is not systematic? You do not require it of your officers if they are going to be involved with such groups?

Ms Armitage—Not at this point in time. We will talk about the commitment that has been signed. Geoffrey was very much part of developing it, which gives you an idea of where we are at the moment.

Mr Villalba—Joan and I came from the same department before we came to Transport. They had a very strong focus on Indigenous issues because they had a substantial number of staff that were Indigenous. One thing we have noticed that some departments are doing is having a statement, which is a charter, when dealing with Indigenous communities. It tells communities what our statement of business is like and what they can expect when they do business with us. It also provides our staff with an indication of a cultural tool in terms of dealing with our Indigenous communities.

I guess you would appreciate that Transport and Regional Services has a lot of labyrinths of activity. It was difficult to come up with something that reflected all activities, but it was broad and flexible enough to reflect what we do. When I came to Transport and Regional Services—I came from an Indigenous focused area and Indigenous issues is a natural interest of mine—I mapped everything to work with the people in the department. I mapped everything in the department that was Indigenous so I could share in a corporate sense everything that we were doing. It is attached to the submission. We could all have an awareness of what we were doing. I guess in a subliminal way, I have been trying to raise our cultural awareness in the department not only through our corporate work but also during the whole-of-government trials. We have been sharing that information across the department. To engage in a whole-of-government business, we need to know our whole-of-department business before we can go forward and capitalise on relationships with other departments and communities.

One thing we have done is to have a formal statement of commitment. We have a copy here today that we could share with you. It is a document which has given us a bit of a step to go forward on. Our Indigenous focus is growing and evolving. We are definitely not experts—we may never be—but we will be building on our skills, knowledge and understanding of Indigenous communities across regional Australia. In the department, we have been appreciating, acknowledging and recognising certain events like NAIDOC Week, for instance. We launched our statement of commitment during the last NAIDOC Week. We have traditional people who come to the department and speak about their experiences. In a gradual way, we are increasing people's knowledge of what is happening across Indigenous communities and what issues they are facing generally. That is something we are building on all the time.

Ms Armitage—So we do not have employment targets as such. In terms of the advisory groups and ACCs, the number of Indigenous people would vary. I suppose one would say they are often the leaders in their community. They do get support from executive officers, but again we do not have a formal system. The Deputy Chair of the Regional Women's Advisory Council is Mary Ann Bin-Sallik from Darwin. She does not need any support.

Dr LAWRENCE—No, that is true.

Ms Armitage—So we have to be a bit careful about that.

Dr LAWRENCE—Sure. I am referring to where you are expanding membership into regions, particularly if the Indigenous issues are only part of the broader community. Sometimes I think Indigenous people get overwhelmed simply because they are in the minority. It is not anything to do with their deficiency. I want to very quickly ask a couple of other questions. It strikes me from what you have said, and from what other departments that we have talked to have said, that there is a need for the Commonwealth as a whole to focus on some of these issues. You seem to be doing more than some, it has to be said—perhaps more than many.

The financial assistance grants have been a continual bugbear in Commonwealth-state and Commonwealth-local government relations. My understanding is that the Indigenous community attracts specific additional funds. The proportion of Indigenous people in a particular community means that there is additional money for those grants under the formula.

Mr Watts—There is a national principle. We have distribution principles. One of them is about Indigenous people and requiring the Grants Commission to recognise the needs of those people when they allocate the grants.

Dr LAWRENCE—You would be familiar with the Grants Commission report of a few years ago which demonstrated fairly conclusively that a lot of the recipients of those grants are not actually delivering when it comes to Indigenous services. You have done very much on that since, particularly in terms of the capacity building side of it. You are generally trying to, I suppose, insist on levels of accountability for the extra loading that communities get for Indigenous people.

Mr Watts—It is actually a very difficult issue. The grants are untied. So the grants, when they go from the states to local government, are untied. So there is no mechanism available for the Commonwealth to insist that if they get additional funds for Indigenous communities, they actually spend it on those Indigenous communities.

Dr LAWRENCE—I am aware of that. I am just wondering what has happened in the meantime to try to force a level of accountability.

Mr Watts—There has been some work done by the local government people involved with the Local Government and Planning Ministers Council to develop a reconciliation action plan. That is proceeding very slowly at the moment. So it is a difficult issue. The Commonwealth Grants Commission actually suggests that there is a purpose in our act which says that one of the purposes of providing the funds is improving local government services to Indigenous communities. They have actually suggested that that be removed from our act because there is just no mechanism to actually require that to occur.

Dr LAWRENCE—Maybe it should go the other way and develop some mechanisms to enforce it, such as tying the grants a bit. Probably that is anathema to many local governments, but perhaps take the money away and provide it through direct programs. It is a bit the opposite of what Mr Haase is suggesting, but I think there is a lot of evidence in the states and territories

where local governments have additional money and they just have not spent it on Indigenous communities. The evidence is out there, yet the Commonwealth continues, and has over successive governments, to provide these loadings without accountability. I put it out there as a big question. I think it is one that the COAG system should address at some point. Sorry about the opinionated comment.

CHAIR—We are all aware of the frustrations of these funding mechanisms that do not quite hit the mark for a variety of reasons.

Ms HOARE—This goes to Carmen's first questions. Are the field officers you have working in Indigenous communities employed out of the local community? How many Aboriginal field officers would you have?

Ms Armitage—We do not have a field officer network. We have the network of area consultative committees—56 of them—which have executive officers. We do have one field officer, who is out at Longreach.

Ms HOARE—What about the workers out there consulting about the RTCs?

Mr Davies—I think you might be referring to the RTC field officer network. They are specifically employed to assist communities to develop their applications for RTCs, primarily because it was recognised by the government that it was a significant task that communities had to do. There are currently 11 field officers. None of them at this point in time are Indigenous. When we first employed field officers 2½ years ago, one of those people was Indigenous. Three of the current field officers, while they are non-Indigenous, have experience in working in Indigenous communities. One, for example, is a teacher and another one is dealing with communities in art and craft.

Ms HOARE—Following on from the statement of commitment, we would anticipate training Indigenous people to be eventually employed as field officers?

Mr Davies—Those field officers' term expires in December this year. The RTC program finishes on 30 June next year. It is really a specific task that they have been tasked with.

Ms HOARE—I had a similar issue with my local area consultative committee when I asked questions about why there was not any Indigenous representation on that. Many of the programs that were being supported were to support local Indigenous communities. It is an ongoing question.

CHAIR—Certainly there is significant regional representation. I have about three quick points. We grapple with urban regional differences all the time. It is defining remote, rural, regional or urban. This discussion would not be unfamiliar to you people.

Ms Armitage—No.

CHAIR—Would you care to comment on some of your definitions and how you define them? This is an age-old debate. I am really looking for where the similarities are. We always say we would like to bring those things and put them on the table that we can agree about first, if you

like, if it comes to that. You might have a useful comment about urban-regional differences and the way you approach it and the way you see it.

Ms Armitage—In terms of defining regional or regions—as you pointed out, you could debate it for a long time—the regional business development analysis and the action plan that the panel has just presented to government and which was released last week, when it looked at regional business, it used the ABS definitions of metropolitan, inner regional and outer regional, which is based upon population density and access to services. So it draws lines around Australia, basically. What we call remoteness is actually quite useful.

In terms of regions, again, there are gradations. Where you do have services, you can expect services in metropolitan Australia. In a region or on the urban fringes where we have two sustainable regions, services may be fragmented and there may be high unemployment. Then as you move further out, obviously population density and access to services usually define what jobs there are and whether there is economic diversity. So you get led down to the OECD approach, which talks about the regions. You can have regions in metropolitan Australia. You have regions in Sydney which do not quite relate to each other. You also have coastal regions.

CHAIR—In your experience, what are a couple of key differences?

Ms Armitage—In terms of key differences, access to services is one. And sense of—

CHAIR—What about culture? What about urban people—

Ms Armitage—Sense of community, I was going to say.

CHAIR—Canberrans are often criticised for being in this insensitive beast that people do not understand. I think that is changing. Nevertheless, it will tend to be tarred like that.

Ms Armitage—You have more defined communities in regional Australia. People tend to identify with a region.

CHAIR—A sense of place.

Ms Armitage—A sense of place. Some of the work that has been done out of Armidale mapping New South Wales looked at social regions, where people identify socially, and economic regions where people say, 'We relate there economically.' There are others.

CHAIR—That is fine. We could talk about it at some length. I wanted to see whether there was anything much there. I want to make a comment about the Croc Festival. I was particularly impressed the other day, when Minister Ruddock was at Port Augusta. I was surprised by the quality of the effort that goes into it. I was really genuinely surprised. Having regard to the personnel, the status and the capacity of those individuals and what may be created from that, I was surprised by the high quality effort that went into that. Are you familiar with the Harvard project? Do you use it at all on Indigenous people? Is anyone familiar with the Harvard project?

Ms Armitage—No. We will look at it.

CHAIR—It is a US think-tank group. They regard it at a senior level in an international sense in terms of offering insight into regional governance. We are particularly interested in their visiting Australia. They do not really want that advertised, so you did not hear that.

Ms Armitage—No, we did not!

CHAIR—More accessible government in the AP lands is my last point. It is a little parochial because it is in my electorate. I was fascinated by the heading and that this thing had been kicking around for a little while. Does anybody want to make a comment about that?

Mr Davies—The AP lands is one of the COAG trials. In terms of the more accessible government initiatives that the government had, that is now being wrapped up in the regional partnerships program. In the case of the RTC application for the AP lands, that is being developed at the moment with the assistance of some people on the ground. We are hoping that we will be able to get that application in shortly.

CHAIR—That is part of that RTC stuff?

Mr Davies—Yes.

Mr HAASE—This is a golden opportunity to establish once and for all this vexed question raised by local government about not rating Aboriginal communities. I was sure that one of you might be able to explain succinctly why that is so.

Mr Watts—It looks like it is me.

Ms HOARE—All eyes were looking in that direction.

Mr Watts—It appears that there are differences between states in the way rates are charged. I gather that in the Northern Territory there is no legislative requirement that would permit councils not to charge rates. But in the Northern Territory, the issue is that you have to charge rates on the value of a property. The difficulty is coming up with the value of property.

Mr HAASE—In the Northern Territory?

Mr Watts—That is in the Northern Territory.

Mr HAASE—That is a territory. I would be much more interested in hearing about the state situation, especially in Western Australia, if I may be parochial.

Mr Watts—I am sorry but I cannot talk about all the states. I can provide a response.

Mr HAASE—Can you talk about Western Australia or give us a response? We would appreciate that, would we not, Chair?

CHAIR—Yes, we would.

Mr HAASE—That would be marvellous, so that we fully understand the situation. We hear about it constantly. This question always arises: when we may not rate that group of communities, why are we criticised for not providing services?

Mr Watts—In the Northern Territory, I understand they apply a service levy—

Mr HAASE—Service levies are a way around it, but often the community says, ‘We are not particularly interested in that service or paying for it,’ or whatever. So an answer to that question would be much appreciated.

Mr Watts—The financial assistance grants are a mechanism to compensate councils that are unable to collect rates. If you cannot put a value on the properties, you cannot actually work out or assess their revenue raising capacity. But you include them in the services that are provided through the assessment of expenditure needs. So those councils that are unable to charge rates for particular communities do get extra money through their financial assistance grants.

Ms HOARE—Untied?

Mr Watts—Untied, yes.

Mr HAASE—But separately stated in a transparent system?

Mr Watts—No, it is not. That is part of the problem. If the Grants Commission—

Mr HAASE—The first solution to the problem is to make sure it is specified as a separate figure. So part of the community that is analysing the performance of the council can look at that separately specified amount and say, ‘Well, explain the expenditure of that amount on Indigenous communities.’ I would have thought that would be a no-brainer.

CHAIR—You have prompted a quick question from me on this. What are the alternative mechanisms—and you have touched on them—where they have been not been rateable and the financial assistance grants can be paid? What about when there are unincorporated areas and there is not what would be defined as local government areas within state and territory acts? What are the mechanisms there to be able to pay financial assistance grants?

Mr Watts—In terms of the financial assistance grants, we identify two types of bodies that are eligible for the grants.

CHAIR—Only two types?

Mr Watts—Yes. Those that come under state legislation that specify that they are councils are potentially eligible. There is another group. Where a body is providing local government services, the state minister can request the Commonwealth minister to declare those bodies to be local government bodies for the purposes of the act. They then get treated like any other local government to receive funds.

CHAIR—Is the Commonwealth generally satisfied with that provided the state is prepared to request on that basis? Has there not been—

Mr Watts—No, there has not been. Only South Australia and the Northern Territory have taken up that option for Indigenous communities so far.

CHAIR—Thank you.

Ms HOARE—Following on from that, the financial assistance grants have been in operation for about 20 years?

Mr Watts—It is getting nearer to 30 years, from 1974-75.

Ms HOARE—Would you anticipate any recommendations from the cost shifting inquiry going on at the moment to tie up more financial assistance grants to councils? I have not been following the inquiry.

Ms Armitage—There is a discussion paper that they put out about four months ago, in April, which is called 'Crossroads'. It actually puts a whole range of issues regarding options for financial assistance grants, which we are watching with interest.

CHAIR—Thank you very much. We can access that.

Ms Armitage—I think it is quite useful.

CHAIR—Any further comments?

Ms Armitage—We will provide to the committee the regional business development analysis. It did not look at Indigenous business because we knew there would be the Indigenous business inquiry. This was the independent panel chaired by Dr John Keniry. It looks at business and what government needs to do from a regional business perspective. Many of the principles that are going through that—skills, capacity building, leadership and infrastructure—I think apply across Australia and across regions. In some cases, obviously they would apply very much to Indigenous communities. I am not sure when the Indigenous business inquiry is going to report, but it should be soon, I think.

CHAIR—I do not have knowledge of that.

Ms Armitage—OATSIA is running it. It would be worthwhile checking it because I am sure they are going to pick up capacity building. Regional business does not just happen on its own. It has to sit within the regional planning and the regional community. Leadership and community capacity are very important for ordinary regional business, and I am sure it is even more so for Indigenous business. Finally, we will provide another one, but here is a newsletter about shared responsibility that we put out for the Western Australian one after there had been visits. So there will be another one. We will provide you with another one as well. It is a later one than that.

CHAIR—Thank you very much. We really appreciate your submission and your time here today.

Resolved (on motion by **Mr Haase**):

That this committee authorises publication, including publication on the parliamentary database, of the proof transcript of the evidence given before it at public hearing this day.

Committee adjourned at 11.24 a.m.